



SO YOU WANT TO START YOUR OWN BUSINESS?

SBA CAN HELP!

THIS PACKAGE HAS INFORMATION ON:

Business Development, SBA Financial Programs, SBA Certifications and Contracting Opportunities, Business Regulations and Business Assistance

U.S. SMALL BUSINESS ADMINISTRATION

MISSISSIPPI DISTRICT OFFICE

**Regions Plaza
210 E. Capitol Street, Suite 900
Jackson, MS 39201
(601) 965-4378
(601) 965-4294 or (601) 965-5629 (Fax)**

GULFPORT BRANCH OFFICE

**Hancock Bank Plaza
2510 14th Street, Suite 103
Gulfport, MS 39501
(228) 863-4449
(228) 864-0197 Fax
www.sba.gov/ms**

Please call or visit our office if you have any questions.

WHAT IS SBA?

The U.S. Small Business Administration (SBA) was created by Congress in 1953 to help America's entrepreneurs form successful small enterprises. Today, SBA's program offices in every state offer financing, training and advocacy for small firms.

Why are Small Businesses Important?

Small Businesses are the backbone of the American economy. They create two of every three new jobs, produce 39% of the gross national product, and invent more than half the nation's technological innovation.

Can SBA Help Me?

If your business is independently owned and operated, not dominant within its field, and falls within size standards and regulations set by the SBA, we can help you.

Does SBA have Grants?

Regardless of what you've seen on television or the Internet, SBA does NOT have a grant program to start or expand a small business. Visit www.grants.gov to determine if there are any opportunities available. The site lists all discretionary grants offered by the 26 federal grant-making agencies.

BUSINESS DEVELOPMENT

Through workshops, individual counseling, publications, and videotapes, the SBA helps entrepreneurs understand and meet of businesses challenges like financing, marketing and management. The SBA has business development specialists stationed in more than 100 field offices nationwide. Technical assistance, training and counseling are offered by SBA resource partners.

SBDC (Small Business Development Centers) - Located on most major college campuses, the SBDC provide counseling and training to prospective and existing business owners. Find the SBDC office nearest to you by calling 1-800-725-7232 or go online to <http://www.mssbdc.org/location.html>.

SCORE (Service Corps of Retired Executives) - A nonprofit organization of retired executives who volunteer their time and expertise to counsel with present and prospective small business owners in need of expert advice. More than 10,500 volunteers in the Service Corps of Retired Executives (SCORE) provide training and one-on-one counseling at no charge. To request SCORE counseling: call, visit or mail the enclosed Request for counseling form to the address or telephone the number below:

SCORE CHAPTER #130
2510 14th Street, Suite 105
Gulfport, MS 39501
(228) 863-0054
Website: www.gulfportscore.org

Women's Business Centers (WBC) (www.onlinewbc.gov) - Provides assistance and training in the area of finance, management, marketing, procurement, and the Internet.

MACE
Women's Business Center
119 S. Theobald Street
Greenville, MS 39532
PH: (228) 466-9145

Crudup-Ward
Women's Business Center
656 Longview Street
Forest, MS 39074
PH: (601) 469-3357

Find a SCORE, SBDC, WBC or other agency workshop or conference near you by simply visiting www.sba.gov/ms and clicking “Events Calendar” on the right of the webpage.

Business Incubators – Provides office space, access to equipment, management assistance, and access to financing and technical support services. Visit <http://www.mississippi.org/content.aspx?url=/page/3755&> for a list of Mississippi Business Incubators

Small Business Training Network (SBTN) (www.sba.gov/training) – SBTN provides small businesses and others of enterprise with free online courses, workshops, learning tools, and direct access to electronic counseling and technical assistance.

SBA FINANCIAL PROGRAMS

SBA open doors of opportunity for small businesses by helping them secure capital. SBA does not offer direct loans. Instead, SBA backs eligible small businesses that may have trouble securing conventional financing by offering a full range of specialized guarantee programs on loans made by private lenders. They include:

- **7(a)** – SBA share up to \$1.5 million. Total loan request not to exceed \$2 million.
- **GO Loan (Gulf Opportunity Pilot Loan)** – provides financing to those communities impacted by Hurricanes Katrina and Rita. SBA loans up to \$150,000 with an 85% guaranty.
- **Community Express Pilot Loan** – loans from \$5,000 - \$50,000 with an 85% guaranty.
- **CAPLine** – SBA share up to \$1.5 million. There are five programs under the CAPLine designed to help small business meet their short-term and cyclical working capital needs:
 - **Contract Loan Program** – used to finance the material and labor needs for a specific contract
 - **Seasonal Line of Credit Program** – finances the short-term seasonal increases of accounts receivable and inventory.
 - **Builders Line Program** – provides financing for small general contractors.
 - **Small Asset-Based Line** – can be used for revolving lines up to \$200,000 to purchase inventory, pay direct labor or finance accounts receivable and advanced against existing inventory.
 - **The Standard Asset-Based Line** – is similar to the Small Asset-Based Line, but for loans over \$200,000.
- **Export Working Capital Program** – provides pre- and post- export working capital financing or export sales. SBA will guaranty share up to \$1.5 million.
- **International Trade Loan** – provides financing to small businesses either engaged in international trade or adversely affected by competition for imports. SBA may guarantee up to \$1.25 million.
- **SBA Express** – loans up to \$350,000. SBA guarantees up to 50% of an SBA Express Loan.
- **Export Express Loan Program** – provides financing to export trading companies and export management companies, to develop foreign markets. Total loan amount up to \$250,000.
- **Defense Loan and Technical Assistance (DELTA)** – provides financial and technical assistance to defense-dependent small firms affected by defense reductions. Loan amount up to \$1.25 million.
- **SBA 504 Loan Program** – The 504 portion of total project cost not to exceed \$1.5 million or 40% of the cost of the asset being financed. 504 loans to small manufacturers can not exceed \$4.0 million.
- **Patriot Express Loan Program** – provides financing to veterans and members of the military community wanting to establish or expand small businesses. This loan program offers loans up to \$500,000 and SBA’s maximum guaranty of up to 85 percent for loan of \$150,000 or less and up to 75 percent for loans over \$150,000 up to \$500,000.

Visit the SBA Mississippi website at www.sba.gov/ms to view specific program flyers containing a list of participating lenders and/or sign up for a free loan clinic. SBA provides small businesses with long-term loans and venture capital by licensing, regulating and investing in privately owned and managed Small Business Investment Companies across the country. We foster Rural and Urban Economic Development and Development Company Loans, geared to create and retain jobs. We expand access to surety bonds through guarantees on bonding for small and emerging contractors, including minorities, who otherwise cannot secure bid, payment or performance bonds.

Export Assistance – SBA helps small businesses enter and succeed in the global marketplace through counseling by international trade experts, training sessions and publications, and Matchmaker Trade Missions (co-sponsored with the U.S. Department of Commerce) to link U.S. firms with potential foreign buyers.

Ray Gibeau, Regional Manager International Trade

Sunbelt US Export Assistance Center

75 Fifth St., N.W., Suite 1055

Atlanta, GA 30308

(404) 897-6089

Email: Raymond.gibeau@sba.gov

SBA Loan Requirement and Terms

SBA Loan Application Procedures for New Businesses:

1. Describe in detail the type of business you want to establish or buy.
2. List educational background, business experience, management capabilities and how much you will need to borrow.
3. Prepare an estimate of how much money you have to invest and how much you will need to borrow.
4. Prepare a current, signed, and dated personal financial statement on the owner(s), listing all assets and liabilities.
5. Prepare a projected profit and loss statement for the first two years the business will operate.
6. List collateral to be offered as security for the loan and give the market value of each item.

SBA Loan Application Procedures for Established Business:

1. Prepare a balance sheet, currently dated and signed, listing all assets and all liabilities of the business.
2. Prepare a signed profit and loss statement for the last full year and one for the current period to the date of the balance sheet.
3. Prepare a current and signed personal financial statement of the owner(s).
4. List all collateral to be offered as security for the loan, giving the market value of each item and the balance of any debt(s) secured by this collateral.

Take the above material to your banker. Ask the bank to make the loan under the SBA's Loan Guaranty Program. If the Bank is interested in an SBA guaranteed loan, ask the banker to contact SBA for discussion of your application. In most cases of guaranteed loans, SBA will deal directly with the bank.

The proper application forms for a guaranteed loan will be furnished to you by your banker. After completion by you or your banker, accountant or attorney, submit the application, with all exhibits signed, including copies of legal descriptions, financial statements, lease information, estimates, etc. to your bank. The bank will complete their part of the application and mail to SBA for processing.

For General Credit Requirements a loan applicant must:

- Be of good Character.
- Show ability to operate a business successfully.
- In a new business, be able to provide a significant debt-free investment from your own resources.
- This is usually 20-30% of the project costs. SBA will consider a loan for the remainder.
- An existing business should have enough capital to operate on a sound financial basis with SBA assistance.
- Show that the past earnings record and future prospects of the business indicate ability to repay the loan and other fixed debts, if any, from profits.

Funds Available:

Maximum amount SBA may guarantee is \$1,500,000

Maturity:

- The terms of the loan depend upon the use of loan proceeds:
- Loans for Working Capital and Inventory - Seven years or Less.
- Machinery and Equipment - Ten years or Less.
- Real Estate Purchases or Construction - Twenty-five years or Less.

Interest:

- Within certain limitations, the bank sets the interest rate on Guaranteed Loans.

Collateral:

- Real Estate (Business or Personal), equipment and/or marketable merchandise (inventory), and/or assignment of current accounts receivable.
- Guarantees or Personal Endorsements.
- Inventories and accounts receivable by themselves are not usually satisfactory collateral.

IT SHOULD BE NOTED that the Small Business Administration, like all lending institutions, has certain credit requirement that all loan applicants must meet. The Small Business Act requires that all loans under our business loan program be of such sound value or so secured as reasonably to assure repayment. In effect, this means each applicant must have a reasonable equity investment, adequate collateral, and be able to furnish evidence of ability to repay from earnings. The majority of our loans are made by banks under the Guaranty Program. We have no program under which we can provide 100% financing.

DISASTER ASSISTANCE PROGRAM

SBA provides low interest disaster loans to homeowners, renters, businesses of all sizes and private, non-profit organizations to repair or replace real estate, personal property, machinery, equipment, inventory and business assets that have been damaged or destroyed in a declared disaster. Homeowners or renters may receive up to \$40,000 to help repair or replace their personal property (clothing, furniture, automobiles, etc.). A homeowner may apply for a loan of up to \$200,000 to repair or restore their primary home to its pre-disaster condition.

Updated disaster assistance specific to Mississippi may be found at www.sba.gov/ms. Simply click “Disaster” on the right of the page. To obtain additional information or to receive the status of your disaster loan request, email disastercustomerservice@sba.gov or call SBA’s customer service line at (800) 659-2955 (Monday through Friday from 7 a.m. to 8 p.m. (CST) and Saturday and Sunday from 8 a.m. to 8 p.m. (CST)).

CONTRACTING OPPORTUNITIES

We help small business secure their fair share of the billions of dollars in federal contracts awarded each year. Working closely with federal agencies, we monitor and help increase both the dollar value and percentage of prime and subcontract awards to small firms.

8(a) Business Development (www.sba.gov/8abd) – The 8(a) Program offers a broad scope of assistance to socially and economically disadvantaged firms. For more information contact:

Alice Doss
SBA Mississippi 8(a) Coordinator
(601) 965-4378, ext. 14
Alice.doss@sba.gov

HubZone Empowerment Contracting Program (www.sba.gov/hubzone) - The HUBZone Empowerment Contracting program provides federal contracting opportunities for qualified small businesses located in distressed areas. The primary office of the business must be located in a HUBZone area and employ 35% of its employees from a HUBZone area.

Mississippi Procurement Technical Assistance Centers (PTACs) (www.mspsc.com) – The Procurement Technical Assistance Center is designed to assist Mississippi businesses in successfully competing for government contracts (federal, state, and local).

SBA's Procurement Center Representatives (PCR's) (www.sba.gov/GC/pcr.htm) - located in SBA area offices, review and evaluate the small business programs of federal agencies and assist small businesses in obtaining federal contracts and subcontracts.

BUSINESS REGULATIONS **LOCAL, STATE, FEDERAL**

STEPS TO TAKE WHEN OPENING A SMALL BUSINESS

The following is a general outline of common procedures for starting a small business. Other procedures may apply in certain situations. Before launching your business, make sure to visit www.Business.gov to check on specific laws and regulations in your area. It is recommended that new business owners obtain legal and accounting advice in the course of setting-up and operating their business.

BUSINESS FORMATION

There are many forms of legal structure you may choose for your business. The most common structures are Sole Proprietorships, General and Limited Partnerships, C and S Corporations and Limited Liability Companies. Firms electing to incorporate should contact the Secretary of State for the required forms. The office is located in the Hebert Ladner Building, 401 Mississippi Street, Jackson, MS 39201. Call (601) 359-1350 or visit their website at <http://www.sos.state.ms.us/> for more information.

HOWEVER, BEFORE INCORPORATION IS COMPLETE THE CORPORATION MUST BE ORGANIZED.

This means an organizational meeting must be held, stock issued, directors and officers elected, by-laws adopted, all of which must be written up in a minute book. If you incorporate, you must be sure to complete organization. Corporations are also required to register with the State Tax Commission for corporate income tax and the franchise tax (Form 60-007).

MISSISSIPPI SALES TAX

A business must register with Mississippi State Tax Commission and file the tax form State of Mississippi Registration Application (Form 70-001) with the District Office of the State Tax Commission. Call their Jackson office at (601) 923-7000 or visit their website at <http://www.mstc.state.ms.us/perl/ContactUs.pl> for the phone number, address and email address of the office nearest to you.

WORKER'S COMPENSATION

Most employers are subject to Mississippi's Workers Compensation Act, with certain exceptions for fraternal or religious corporations, state agencies, and other special employers. For information, call toll-free 1-866- 473 - 6922 or visit their website at <http://www.mwcc.state.ms.us/>.

Or you may contact your local insurance agent for a quote on Worker's Compensation and information on whether your company is an exception.

WITHHOLDING EMPLOYEE TAXES ON INCOME (FEDERAL AND STATE)

Income tax withholding registration is required of all firms, regardless of size, form or organization. Employers must also require employees to complete the withholding exemption certificate. Federal forms and publications can be obtained from the IRS at 1-800-829-3676 or their website at <http://www.irs.gov/formspubs/>. Contact the Mississippi State Tax Commission at (601) 923-7000 or look under "Tax Areas" on their website <http://www.mstc.state.ms.us/>.

ALCOHOLIC BEVERAGES

The sale of alcoholic beverages is controlled by the Mississippi Alcoholic Beverage Commission (ABC). The coast office of the ABC is in the office of the Mississippi State Tax Commission. A beer license is obtained through the Jackson District Office of the Mississippi State Tax Commission in Jackson, Mississippi. MS Alcoholic Beverage Commission (ABC) in Jackson, MS at (601) 856-1301 or visit their website at <http://www.mstc.state.ms.us/abc/main.htm>.

MISSISSIPPI STATE INCOME TAX

State income tax is handled through the Mississippi State Tax Commission (601) 923-7000 or www.mstc.state.ms.us. Mississippi has a graduated tax rate, which is the same for individuals and businesses.

EMPLOYER IDENTIFICATION NUMBER

Employers must obtain an Employee Identification Number (EIN) by submitting Form SS-4. Obtain this from the IRS office or the web at www.irs.gov. Telephone assistance is available for Businesses at 1-800-829-4933, 7 a.m. to 10 p.m. Monday through Friday.

EMPLOYEE'S WITHHOLDING ALLOWANCE CERTIFICATE (FORM W-4)

An employee must fill out and give Form W-4 to employer when employment begins. This form guides the employer in determining how much federal income tax to withhold from wages. Internal Revenue Service's Employer's Tax Guide, Circular E, provides federal income tax withholding tables. W-4 form is available at www.irs.gov. Click "More Forms and Publications" to access other forms referenced here.

FEDERAL TAXES

Contact the IRS at 1-800-829-4933 to obtain information for complying with (1) Employment Taxes (withholding employee income tax and social security tax); (2) Federal Unemployment Tax (FUTA) and (3) Business Income Tax. Other taxes, e.g., Federal Excise Taxes, may also apply to certain businesses. Insure you are aware of record keeping requirements, what to report, when to file tax returns, and how to make payments. The following IRS publications and more are provided online at <http://www.irs.gov/publications/index.html>.

- Your Rights as a Taxpayer
- Circular E, Employers Tax Guide
- Your Federal Income Tax (Individuals)
- Tax Guide for Small Business
- Tax Calendar
- Self-Employment Tax
- Business Expenses
- Tax Information on Partnerships
- Tax Information on Corporations
- Taxpayers Starting A Business
- Business Use of the Home
- Tax Information on S Corporations

HEALTH DEPARTMENT – If you are dealing with food in any way or if sewage or drainage is involved you must obtain clearance with the County Health Department. Call their Jackson office at (601) 576-7400 from 8a.m. to 5p.m. weekdays or visit their website at http://www.msdh.state.ms.us/msdhsite/_static/4,0,204.html to find the office nearest to you. You can also view their "Frequently Asked Questions" at http://www.msdh.state.ms.us/msdhsite/_static/4,0,204,201.html.

UNEMPLOYMENT INSURANCE – If a firm employs one or more workers for as many as 20 weeks of the year or pays wages of \$1,500.00 in a calendar quarter, it must register and pay unemployment insurance premiums to the following agency. All categories of labor are not covered under this law. Contact their Jackson Office at (601) 961-7755/(601) 354-8711 or visit their website at <http://www.mdes.ms.gov/wps/portal>.

PROPERTY TAXES/COUNTY TAX COLLECTOR/ASSESSOR – For information on property taxes and effect of the home-based business on homestead exemptions, contact the local tax assessor.

Visit <http://www.mstc.state.ms.us/taxareas/property/main.htm> and click “Tax Assessors/Collectors” under Local Officials.

CITY ZONING REQUIREMENTS – If a business is to be located within city limits, the business owner should check to be sure that the location is zoned for business.

CONTACT: City Zoning Department in the blue pages of your phonebook.

COUNTY ZONING REQUIREMENTS

Some counties do not have a zoning ordinance, but the owner of a new business should check to see if there are zoning requirements.

CONTACT: County Zoning Department or Planning Commission in the blue pages of your phonebook.

CITY BUILDING PERMIT

If a business is to be located in a new or remodeled building inside the corporate limits of a city, the owner must get a city building permit before construction or remodeling is initiated.

CONTACT: City Permit Department in the blue pages of your phonebook.

COUNTY BUILDING PERMIT

If a business is to be located in a new or remodeled building outside of the corporate limits of a city, check to see if a county building permit is required before beginning construction or remodeling. Some counties require building permits.

CONTACT: County Permit Department or Chancery Clerk Office in the blue pages of your phonebook.

CITY PRIVILEGE LICENSE

An owner of a new business must get a city license from the City Tax Collector if the business is located within the city limits.

CONTACT: City Tax Collector in the blue pages of your phonebook.

COUNTY PRIVILEGE LICENSE

An owner of a new business must obtain a county license from the County Tax Collector if the business is located outside city limits.

CONTACT: County Tax Collector in the blue pages of your phonebook or visit <http://www.mstc.state.ms.us/taxareas/property/main.htm> and click “Tax Assessors/Collectors” under Local Officials.

OTHER ASSISTANCE

SBA ANSWER DESK

Call 1-800-U-ASK-SBA (827-5722)/TTY: (704) 344-6640 or send e-mails to answerdesk@sba.gov.
Espanol -- <http://www.sba.gov/espanol/centrodeinformacion.html>

MISSISSIPPI DEVELOPMENT AUTHORITY – The State of Mississippi’s lead economic and community development agency. Contact their office at (601) 359-3449 or find the office nearest to you online at <http://www.mississippi.org/>.

MISSISSIPPI PLANNING AND DEVELOPMENT DISTRICTS

Provides a variety of services such as regional planning, local technical assistance and coordination, promote overall economic development, and review of applications for federally sponsored programs for their respective areas.

- **North Delta Planning and Development District** (<http://www.ndpdd.com/>) – Serves Coahoma, DeSoto, Panola, Quitman, Tallahatchie, Tate, and Tunica counties
- **Northeast Mississippi Planning and Development District** (<http://www.nempdd.com/>) – Serves Alcorn, Benton, Marshall, Prentiss, Tippah, and Tishomingo counties.
- **South Delta Planning and Development District** (<http://www.southdeltapdd.com/>) – Serves Bolivar, Humphries, Issaquena, Sharkey, Sunflower and Washington counties..
- **Southern Mississippi Planning and Development District** (<http://www.smpdd.com/>) – Serves Covington, Forrest, George, Greene, Hancock, Harrison, Jackson, Jefferson Davis, Jones, Lamar, Marion, Pearl River, Perry, Stone and Wayne counties.
- **Southwest Mississippi Planning and Development District** (<http://www.swmpdd.com/>) – Serves Adams, Amite, Claiborne, Franklin, Jefferson, Lawrence, Lincoln, Pike, Walthall and Wilkinson counties.
- **Three Rivers Planning and Development District** (<http://www.trpdd.com/>) – Serves Calhoun, Chickasaw, Itawamba, Lafayette, Lee, Monroe, Pontotoc and Union counties.

CHAMBERS OF COMMERCE

See list of Mississippi Chambers of Commerce in the Mississippi SBA Resource Guide online at www.sba.gov/ms

BONDING

Mississippi Underwriters Insurance Agency, Inc. (601) 981-9136
See list of Surety Bond Agencies in the Mississippi SBA Resource Guide online at www.sba.gov/ms

BETTER BUSINESS BUREAU

BBB of Mississippi
601 Renaissance Way, Suite A
Ridgeland MS 39157
Phone: (601) 707-0960
Email: info@ms.bbb.org
WWW: <http://ms.bbb.org>

BBB of the Mid-South
3693 Tyndale Drive
Memphis TN 38125
Phone: (901) 759-1300
Email: info@bbbmidsouth.org
WWW: <http://memphis.bbb.org>

SMALL BUSINESS INSURANCE INQUIRIES

Mississippi Insurance Department
Consumer Assistance Division
PO Box 79
Jackson, MS 39205
(601) 359-3569

CREDIT BUREAUS

EXPERIAN

P. O. Box 105873
Allen, TX 75013
(888) 397-3742
www.experian.com

EQUIFAX

P. O. Box 105873
Atlanta, GA 30348
(800) 685-1111
www.equifax.com

TRANSUNION

P. O. Box 2000
Springfield, PA 19022
(800) 916-8800
www.tuc.com

MISSISSIPPI HOUSING AND URBAN DEVELOPMENT OFFICE

Dr. A.H. McCoy Federal Building
100 W. Capitol St, Suite 910
Jackson, MS 39269-1096
(601) 965 4757
TTD: (601) 965-4171

U.S. DEPARTMENT OF LABOR..... www.dol.gov

OCCUPATIONAL SAFETY & HEALTH..... www.osha.gov

ENVIRONMENTAL PROTECTION AGENCY..... www.epa.gov

MISSISSIPPI EMPLOYMENT SECURITY COMMISSION..... www.mesc.state.ms.us

MISSISSIPPI INSURANCE COMMISSIONER..... www.doi.state.ms.us

SOCIAL SECURITY ADMINISTRATION..... www.ssa.gov

U. S. DEPARTMENT OF JUSTICE..... www.doj.gov

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION..... www.eeoc.gov

FEDERAL EMPLOYEE JOB OPENINGS..... www.usajobs.opm.gov

Contact the Mississippi District Office at (601) 965-4378, Gulfport Branch Office at (228) 863-4449 or visit our website at www.sba.gov/ms for more information.